Developing and Utilizing Human Resources

Basic Stance

The Kawasaki Group considers its employees to be the most valuable resource to fulfill the Group Mission and achieve its business targets. In an effort to improve enterprise value in a sustainable manner by implementing the mission statement. it is very important for each and every one of the approximately 35,000 human resources who are active around the world, regardless of nationality, gender, age, religion and any disabilities, to understand and share the Group Mission and Kawasaki Value, and to diligently attend to daily business based on the Kawasaki Group Code of Conduct.

In particular, for us to "constantly achieve new heights in technology," as set forth in the Kawasaki Value, the development of human resources from a long-term perspective is essential. Accordingly, the Group's stance is that "the Kawasaki Group's corporate culture is built on integrity, vitality, organizational strength and mutual respect for people through all levels of the Group. We nurture a global team for a global era," as set forth in the Kawasaki Group Management Principles. With an aim of commitment to the principles of "human respect" and "health first" while achieving this stance, we focus on establishing workplaces that allow our diverse human resources to work securely, safely, and enthusiastically with a sense of pride, and on developing human resources that contribute to the achievement of our business strategy and the future of the global environment.

In order to increase enterprise value and promote employees' work-life balance, it is vital that diverse employees are able to demonstrate their capabilities and contribute to higher productivity. Toward this end, we have embraced "K-Win (Kawasaki Workstyle Innovation) Activities" throughout the Group to encourage new approaches to work.

Development of Global Human Resources

We have been implementing measures for global human resource development, with the aim of furthering the development of human resources in support of global business expansion. Specifically, we provide training designed to promote a readiness to deal with business from a global perspective and teach useful skills for overseas business. Furthermore, we dispatch young and mid-career employees to external institutions and the Group's affiliated companies through the overseas internship system that is aimed at globalizing domestic

human resources. We will continue working to enhance measures toward global human resource development on a Group-wide basis through such means as supporting the development of local skilled employees at overseas sites.

Promotion of K-Win Activities

The Kawasaki Group has embraced K-Win Activities, which are an effort to promote workstyle reform in step with ongoing social trends. We set the objectives of the activities as "promotion of work-life balance," "increasing the productivity of administrative and technical personnel," and "reducing long working hours" to prepare for the aging of society with a declining birthrate and changes in the management environment.

Specifically, these activities are focused on business reform by strengthening management in the workplace and improving operational processes with a view to increasing productivity, organization climate reform by revitalizing the organization with the aim to promote creation of innovations in the future and enhancement of employees' motivation, and system reform through promotion of flexible approaches to work by placing emphasis on productivity evaluation and introducing a remote work (telecommuting) system to push forward the activities.

All the Kawasaki Group employees are working on these activities so that the Group will achieve its growth strategies over the medium to long term and increase enterprise value.

Promotion of Diversity

Diversity is an important management issue for the Company from the perspectives of making the best use of the capabilities of its diverse human resources, fairness, and risk avoidance. We are developing a working environment that makes it possible to mutually recognize and take advantage not only of nationalities and genders, but also differences in sexual orientation, values, lifestyles, and other factors.

We are actively committed to hiring and promoting the participation of female employees in the Group. We are also working on the develop-

ment of female human resources. Our target is to increase the number of female managers (at the level of section manager and



Certification

Awarded

above) by three-fold by 2020, compared with the level in fiscal 2015.

We are also committed to recruiting more people with disabilities and are actively hiring such people. We established a special subsidiary (Kawasaki Heartfelt Service Co., Ltd.) to cultivate an environment in which they can develop their full potential.

Furthermore, we created an LGBT handbook and distributed it across the Group, in an effort to promote correct knowledge and deepen understanding among employees of sexual minorities. The aim is to foster a corporate culture that creates a comfortable working environment for diverse human resources.

Realizing a Safe. Comfortable Workplace

With the principles of "human respect" and "health first," the Company is conducting various safety and health manage-

ment activities, in order to "create a workplace climate that gives top priority to safety and health and realize a safe and comfortable working environment that enables employees to work



Certified as Health and Productivity Management Outstanding Organizations (White 500)

in good health both physically and mentally." We established corporate safety education facilities, referred to as the "safety dojo," and use them to promote safety awareness and provide basic knowledge of occupational safety to employees. In addition, the Company, jointly with the labor union and the health insurance association, carries out "Kawasaki Kenko-Challenge (Health Challenge)" yearly to promote the health of employees and their family members. As a result of various initiatives, the Company was recognized as an outstanding company that promotes health and productivity management and was certified as one of the "2018 Health and Productivity Management Outstanding Organizations (White 500)."



Training in the safety dojo

Topics ___

Kawasaki Heartfelt Service Co., Ltd. Obtained Certification of Outstanding Organization for Employment of People with Disabilities

Kawasaki Heartfelt Service Co., Ltd., a special subsidiary of the Company established in September 2013, obtained the Certification of Out-

standing Organization for Employment of People with Disabilities on March 29, 2018. The company was the ninth in Japan to receive the certification. It recognizes that the company takes advanced approaches to provide a workplace environment that supports retention of people with disabilities; promotes active and continuous hiring of people with disabilities; and is both a reliable and prosocial enterprise that promotes active participation by people with disabilities.

The certification's administration is entrusted by the Ministry of Health, Labour and Welfare to the Japan Association of Employers of Persons with Severe Disabilities. The certification is granted to companies that take outstanding initiatives for promoting active participation of people with disabilities, including implementing employment management and reviewing employment patterns by taking into consideration the individual

characteristics of disabilities. The company will continue providing a work environment where people with disabilities can work with job satisfaction and promoting business activities they can actively participate in.



People at work Title: "Concentration" (Minister of Health, Labour and Welfare Award-winning Work [Photo Section]) Original photo for the campaign poster for people with disabilities employment promotion month for fiscal 2017 (Both the model and photographer are employees of Kawasaki Heartfelt Service Co., Ltd.)

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